

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Special Meeting

December 3, 1976

2:30 P.M.

Council Chambers
301 West Second Street

The meeting was called to order with Mayor Pro Tem Snell presiding.

Roll Call:

Present: Mayor Pro Tem Snell, Councilmembers Himmelblau, Höfmann, Linn, Trevino

Absent: Mayor Friedman, Councilmember Lebermann

Mayor Pro Tem Snell stated that this was a called Special Meeting of the City Council for the purpose of hearing tax appeals from the Board of Equalization.

Mayor Pro Tem Snell stated that the following tax appeal had been WITHDRAWN:

Property	1975 Appraised Value 100%	1976 Appraised Value 100%	1976 Rendered Value 75%	1976 Assessed Value 75%	1976 Value by Board of Equalization 75%
Land	\$ 499,860	\$ 499,860	Did Not	\$374,900	\$374,900
Imps.	<u>511,163</u>	<u>826,080</u>	<u>Render</u>	<u>619,560</u>	<u>512,170</u>
Total	\$1,011,023	\$1,325,940		\$994,460	\$887,070

Ownership and Description:

ALLANDALE ASSOCIATES

By: John Scanlan

Parcel No. 2-3004-0601
Resub. of Lots 1 thru 10
and 38 thru 56, Allandale
Section 1

Address of Property:
Burnet Road

Mayor Pro Tem Snell stated that the following tax appeals would be rescheduled at a later date:

Property	1975 Appraised Value 100%	1976 Appraised Value 100%	1976 Rendered Value 75%	1976 Assessed Value 75%	1976 Value by Board of Equalization 75%
Land	\$ 3,209	\$ 4,011	\$ 2,410	\$ 3,010	\$ 3,010
Imps.	<u>21,328</u>	<u>27,962</u>	<u>16,000</u>	<u>20,970</u>	<u>20,970</u>
Total	\$24,537	\$31,973	\$18,410	\$23,980	\$23,980

DON EPPERSON

Parcel No. 2-2122-0313
Lot 14, Cherrylawn Section 2

Address of Property:
3007 Cedarlawn Circle

Property	1975 Appraised Value 100%	1976 Appraised Value 100%	1976 Rendered Value 75%	1976 Assessed Value 75%	1976 Value by Board of Equalization 75%
Land	\$98,125	\$117,750	\$73,590	\$88,310	\$88,310
Imps.	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$98,125	\$117,750	\$73,590	\$88,310	\$88,310

Ownership and Description:

WILLIAM R. BRIGHT

Parcel No. 4-2300-0101
39.25 Acres
Santiago Del Valle Grant

Address of Property:
Nuchols Crossing Road

The Council then publicly heard the following tax appeals:

Property	1975 Appraised Value 100%	1976 Appraised Value 100%	1976 Rendered Value 75%	1976 Assessed Value 75%	1976 Value by Board of Equalization 75%
Land	\$ 4,743	\$ 4,744	Did Not	\$ 3,560	\$ 3,560
Imps.	<u>22,518</u>	<u>30,347</u>	Render	<u>15,760</u>	<u>15,760</u>
Total	\$27,261	\$35,091		*\$19,320	*\$19,320

* Assessed value less \$7,000 homestead exemption

Ownership and Description:

MICHAEL HARRISON

By: Mrs. Florence Harrison

Parcel No. 2-4514-0502

Lot 1, Block A, Quail
Creek, Phase III,
Section IV

Address of Property:
1322 Neans Drive

In response to Mrs. Harrison's question regarding the separate assessment of the fireplace, Mr. Klitgaard stated that the reason for the separation was that all houses did not have the same characteristics, such as fireplace, air conditioning, etc. In response to Mrs. Harrison's concern over paying taxes on a drainage creek running through her property, Mr. Klitgaard stated that an allowance for the creek had been made in valuing the land. The valuation had been decreased from \$5,271 to \$4,744, which was a 10% reduction.

In response to Mrs. Harrison's question, City Manager Davidson stated that the City did not have a program whereby the City would clean creek areas adjacent to private property and bill the owner for the charges. It was the owner's responsibility to maintain the creek area.

City Manager Davidson stated that under State law and City ordinances, the City of Austin had the obligation of providing adequate drainage. Before subdividing the area under question, the owner had to provide a drainage easement to the City. Mr. Davidson invited the Harrisons to his office so that he might explain the entire procedure to them.

Mrs. Harrison stated that there were sewer pipes on the property which were not connected. Heavy rains caused her yard to flood because the pipes were not connected. City Manager Davidson stated that he would look into the problem. Mr. Klitgaard stated that he believed that the market had been examined as thoroughly as possible. The land had been treated no differently from other land on that block. Building values were predicted on the same square foot unit values applied to comparable property throughout the district. He felt that the \$35,091 valuation placed on the property was a reasonable estimate of its present market value.

Property	1975 Appraised Value 100%	1976 Appraised Value 100%	1976 Rendered Value 75%	1976 Assessed Value 75%	1976 Value by Board of Equalization 75%
Land	\$ 8,939	\$10,429	\$ 6,700	\$ 7,820	\$ 7,820
Imps.	<u>44,968</u>	<u>60,194</u>	<u>33,730</u>	<u>45,150</u>	<u>45,150</u>
Total	\$53,907	\$70,623	\$40,430	\$52,970	\$52,970

Ownership and Description:

CARL J. RIZZO

Parcel No. 1-4901-0414
 Lot 7, Block D, Northwest
 Estates, Section 1

Address of Property:
 4104 Villacliff Circle

Mr. Rizzo stated that the house and land originally cost him \$58,000. Under the latest valuation, Mr. Rizzo's property was assessed for taxes at \$52,970, an increase of \$13,540. He felt that his house was overvalued since the house behind him had sold for \$62,000 and the one next door for \$63,000. He asked that the Council reduce the valuation on his house by \$5,000. In response to Councilmember Linn's question, Mr. Klitgaard stated that Mr. Rizzo's house was valued similarly to the ones around it, but it was valued higher primarily because it was larger.

Mr. Klitgaard stated that in the comparisons made by the Board of Equalization, Mr. Rizzo's property contained 2,625 square feet on the first floor and 444 square feet on the second floor. Three comparable nearby houses consisted of one story and contained 2,129 square feet, 1,839 square feet and 2,057 square feet, respectively. The significant difference between Mr. Rizzo's property and the other properties which had been the subject of a market transaction primarily was size.

Property	1975 Appraised Value 100%	1976 Appraised Value 100%	1976 Rendered Value 75%	1976 Assessed Value 75%	1976 Value by Board of Equalization 75%
Land	\$ 4,073	\$ 4,888	\$ 3,050	\$ 3,670	\$ 3,670
Imps.	<u>37,552</u>	<u>50,786</u>	<u>28,160</u>	<u>38,090</u>	<u>38,090</u>
Total	\$41,625	\$55,674	\$31,210	\$41,760	\$41,760

Ownership and Description:

WAYNE L. YOUNG

By Mrs. Young

Parcel No. 9-2-6305-0610

Lot 3, Block B,

Angus Valley No. 9

Address of property:

12103 Shetland Chase

Mrs. Wayne Young stated that the property was bought new in March, 1972, for approximately \$50,000. It was sold 1-1/2 years later, and due to a default on a second mortgage, was repurchased in October, 1975. The area was annexed by the City last summer, but there were no sewers. Proposed busing of children would carry some of the children over 15 miles away. Property on one side had decreased greatly in building size and lot size. The house next door had been vacant for several months. In response to Mrs. Young's question, Mr. Klitgaard stated that his department tried to make all appraisals based on the best evidence of market value. The \$55,674 was the Department's opinion of what the market value of the property would be as of January 1, 1976.

In response to Mrs. Young's question regarding a newspaper article on property valuations, Mr. Klitgaard stated that no tax department could get a 100% value on everything. The best that could be done was to estimate market value based on what property had been buying and selling for and let those factors be reflected in the appraisal. Unit cost schedules were adjusted as they applied uniformly to property throughout the community. Lack of public utilities in Mrs. Young's area did affect the value of the property, and a lower front foot valuation had been placed on the property.

In response to Mr. Klitgaard's question, Mrs. Young stated that they had sold the property in August, 1973, for between \$57,000 and \$58,000. When the property was replurchased it did not contain many interior extras which it formerly had. In response to Councilmember Linn's question, Mrs. Young stated that the yard had deteriorated and that the inside of the house had deteriorated. Surrounding houses of comparable value had been assessed for thousands of dollars less. In response to Councilmember Hofmann's question regarding the lower valuation of comparables, Mr. Klitgaard stated that he did not have comparables on the Young property, but that under the unit cost schedule system, there would have to be a physical reason for the lower valuation of surrounding property. Mr. Klitgaard stated to Mrs. Young that records of his department were public records and that if she wished to make comparisons, the records were available.

Property	1975 Appraised Value 100%	1976 Appraised Value 100%	1976 Rendered Value 75%	1976 Assessed Value 75%	1976 Value by Board of Equalization 75%
Land	\$ 3,191	\$ 3,191	Did Not	\$ 2,390	\$ 2,390
Imps.	<u>33,774</u>	<u>43,862</u>	Render	<u>32,900</u>	<u>29,430</u>
Total	\$36,965	\$47,053		\$35,290	\$31,820

Ownership and Description:

ROBERT F. HUGHES

Parcel 9-2-4122-0401
Lot 1, Block F
North Acres Section 3

Address of Property:
801 Floradale

Mr. Robert F. Hughes stated that the 1976 appraisal on his property had increased \$7,570 higher than the 1975 appraisal. He had bought the property for \$33,000. After an appearance before the Board of Equalization, the Board reduced the valuation by \$3,470. Mr. Hughes felt that there should have been no increase in valuation since he was in an area of economic obsolescence. Mr. Hughes distributed some photographs to the Council to demonstrate the condition of the area. He asked that the tax be reduced to the 1975 figure.

Mr. Klitgaard stated that the minutes of the Board of Equalization did not show a selling price of \$33,000. The Board did request the Tax Department to recheck the property based on Mr. Hughes' testimony concerning the immediate neighborhood and the fact that the house was substantially larger than others in the area. The Tax Department had recommended to the Board of Equalization that some economic obsolescence be accorded to the improvement value of the Hughes property. It was extremely difficult to find comparable property in the market place burdened with a similar type of neighborhood that had been the subject of a sale so that the influence could be measured. Mr. Klitgaard believed that the Board of Equalization and the Tax Department had done the best they could under the circumstances. Mr. Klitgaard stated that he had information indicating that the property had sold for \$40,000 in August, 1973. Mr. Klitgaard asked Mr. Hughes to elaborate on the \$33,000 price which he had paid for the property.

Mr. Hughes stated he paid \$33,000 for the owner's equity in the property. Drapes in the house were purchased for about \$2,000. Mr. Hughes felt that the house should be valued at what it would sell for now. Mr. Klitgaard stated that he did not disagree with Mr. Hughes. Since the house had not been exposed to the market recently, it had been appraised the same way as all comparable property.

Property	1975 Appraised Value 100%	1976 Appraised Value 100%	1976 Rendered Value 75%	1976 Assessed Value 75%	1976 Value by Board of Equalization 75%
Land	\$ 6,347	\$ 7,501	\$ 4,760	\$ 5,630	\$ 5,630
Imps.	<u>33,629</u>	<u>45,337</u>	<u>20,220</u>	<u>27,030</u>	<u>27,030</u>
	\$39,976	\$52,878	\$24,980	*\$32,660	*\$32,660

Total

*Assessed value less \$7,000 homestead exemption.

Ownership and Description:

SHIRMER A. MUELLER

Parcel No. 2-4701-0218
 Lot 18, Block P
 Westover Hills Section 2

Address of Property:
 4006 Hyridge Drive

Mr. Mueller read a statement to the Council which indicated that the subject property was his homestead. He had built the house upon retirement and lived on a fixed income. Since he had built the house, it had increased in tax valuation by almost double its cost. Mr. Mueller felt that his property should be assessed at what it cost until it was sold. If at a future date the house was sold, then at that time the evaluation should be adjusted. Mr. Klitgaard stated that under the law, property could not be valued at cost. He quoted sales prices of several properties in the area which were comparable to the value placed on Mr. Mueller's property. Councilmember Hofmann pointed out that a homestead exemption increase for senior citizens had been included in the current budget.

Property	1975 Appraised Value 100%	1976 Appraised Value 100%	1976 Rendered Value 75%	1976 Assessed Value 75%	1976 Value by Board of Equalization 75%
Land	\$ 4,689	\$ 5,211	\$ 3,520	\$ 3,910	\$ 3,130
Imps.	<u>36,105</u>	<u>49,118</u>	<u>27,080</u>	<u>36,840</u>	<u>36,840</u>
Total	\$40,794	\$54,329	\$30,600	\$40,750	\$39,970

Ownership and Description

AUBREY RONALD CARTLIDGE

Parcel No. 3-0506-0105
Lot 2, Block B
Colorado Hills Estates
Section 2

Address of Property:
1802 Woodland Drive

Mr. Cartlidge did not appear to be heard. The City Clerk stated that she had talked to Mr. Cartlidge on the telephone and a letter was being sent requesting to be rescheduled. (Letter received December 6, 1976)

Property	1975 Appraised Value 100%	1976 Appraised Value 100%	1976 Rendered Value 75%	1976 Assessed Value 75%	1976 Value by Board of Equalization 75%
Land	\$ 3,264	\$ 3,570	\$ 2,450	\$ 2,680	\$ 2,680
Imps.	<u>17,740</u>	<u>23,681</u>	<u>13,310</u>	<u>17,760</u>	<u>17,760</u>
Total	\$21,004	\$27,251	\$15,760	\$20,440	\$20,440

Ownership and Description:

A. E. HOLLINGSHEAD

Parcel No. 9-2-4724-1102
Lot 2
North Oaks, Section 2

Address of Property:
11608 North Oaks Drive

Mr. Hollingshead stated that a house should be worth what it sold for, not what someone thought it was worth. He had bought the subject property last April for \$22,500, and he felt that that was what the property was worth, not the \$27,251 assessed valuation. He had spent \$1,876.93 on repairs since buying the house and he still needed to spend \$1,958 more to put it in top conditions.

The 1975 assessed value of the property was \$21,004. The house was not in the City limits.

Mr. Klitgaard stated that the property had been appraised using the same criterion which applied to all property in the district. The Tax Department had considered all known area sales and tested them against existing schedules to try to determine the proper schedule to reflect what property was selling for currently. After that determination and having tested it in the market, unit schedules were then applied uniformly to all similar properties throughout the district. Mr. Klitgaard stated that the purchase price of \$22,500 for the subject property left some question as to whether or not a market consideration was involved. The property had been purchased from the family estate or an agreement between other members of the family as to how much the property should be exchanged for. Mr. Klitgaard had serious doubts that the transaction met the qualifications for market value. Sales of comparables in the area ranged from \$32,000 to \$27,000. A fee appraiser had appraised the house in 1975 at \$27,500.

ACTION BY COUNCIL

After a brief discussion, the Council decided to vote on the appeals which had just been heard.

Councilmember Linn moved that the Council uphold the recommendation of the Board of Equalization as follows:

Ownership and Description	Property	1976	Council Action
		Value by Board of Equalization 75%	
MICHAEL HARRISON	Land	\$ 3,560	\$ 3,560
By Mrs. Florence	Imps.	<u>15,760</u>	<u>15,760</u>
Harrison			
	Total	*\$19,320	\$19,320
Parcel No. 2-4514-0502			
Lot 1, Block A, Quail	*Assessed value less \$7,000 homestead exemption.		
Creek Ph. III, Sec. IV			

Address of Property:
1322 Neans Drive

The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor Pro Tem Snell, Councilmembers Himmelblau,
Hofmann, Linn, Trevino

Noes: None

Absent: Mayor Friedman, Councilmember Lebermann

Councilmember Trevino moved that the Council uphold the recommendation of the Board of Equalization as follows:

Ownership and Description	Property	1976 Value by Board of Equalization 75%	Council Action
CARL J. RIZZO	Land	\$ 7,820-	\$ 7,820
	Imps.	<u>45,150</u>	<u>45,150</u>
Parcel No. 1-4901-0414			
Lot 7, Block D,	Total	\$52,970	\$52,970
Northwest Estates Section 1			

Address of Property:
4104 Villacliff Circle

The motion, seconded by Councilmember Linn, carried by the following vote:

Ayes: Councilmembers Himmelblau, Hofmann, Linn, Trevino,
Mayor Pro Tem Snell

Noes: None

Absent: Mayor Friedman, Councilmember Lebermann

Councilmember Linn moved that the Council uphold the recommendation of the Board of Equalization as follows:

Ownership and Description	Property	1976 Value by Board of Equalization 75%	Council Action
WAYNE L. YOUNG	Land	\$ 3,670	\$ 3,670
By: Mrs. Young	Imps.	<u>38,090</u>	<u>38,090</u>
Parcel No. 9-2-6305-0610	Total	\$41,760	\$41,760
Lot 3, Block B, Angus Valley No. 9			

Address of Property:
12103 Shetland Chase

The motion, seconded by Councilmember Trevino, carried by the following vote:

Ayes: Councilmembers Hofmann, Linn, Trevino, Mayor Pro
Tem Snell, Councilmember Himmelblau

Noes: None

Absent: Mayor Friedman, Councilmember Lebermann

Councilmember Linn moved that the Council uphold the recommendation of the Board of Equalization as follows:

Ownership and Description	Property	1976 Value by Board of Equalization 75%	Council Action
ROBERT F. HUGHES	Land	\$ 2,390	\$ 2,390
	Imps.	<u>29,430</u>	<u>29,430</u>
Parcel 9-2-4122-0401			
Lot 1, Block F	Total	\$31,820	\$31,820
North Acres Section 3			

Address of Property:
801 Floradale

The motion, seconded by Councilmember Trevino, carried by the following vote:

Ayes: Councilmembers Linn, Trevino, Mayor Pro Tem Snell,
Councilmembers Himmelblau, Hofmann

Noes: None

Absent: Mayor Friedman, Councilmember Lebermann

Councilmember Trevino moved that the Council uphold the recommendation of the Board of Equalization as follows:

Ownership and Description	Property	1976 Value by Board of Equalization 75%	Council Action
SHIRMER A. MUELLER	Land	\$ 5,630	\$ 5,630
	Imps.	<u>27,030</u>	<u>27,030</u>
	Total	*\$32,660	\$32,660

Parcel No. 2-4701-0218 *Assessed value less \$7,000 homestead exemption.
Lot 18, Block P
Westover Hills,
Section 2

Address of Property:
4006 Hyridge Drive

The motion, seconded by Councilmember Linn, carried by the following vote:

Ayes: Councilmembers Linn, Trevino, Mayor Pro Tem Snell,
Councilmembers Himmelblau, Hofmann

Noes: None

Absent: Mayor Friedman, Councilmember Lebermann

Councilmember Linn moved that the Council uphold the recommendation of the Board of Equalization as follows:

Ownership and Description	Property	1976	Council Action
		Value by Board of Equalization 75%	
A. E. HOLLINGSHEAD	Land	\$ 2,680	\$ 2,680
	Imps.	<u>17,760</u>	<u>17,760</u>
	Total	\$20,440	\$20,440

Parcel No. 9-2-4724-1102
Lot 2
North Oaks, Section 2

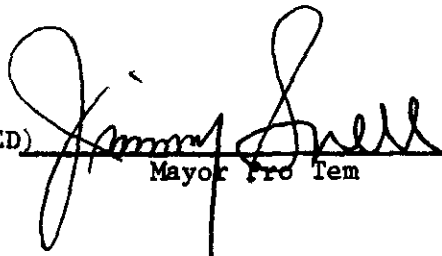
Address of Property:
11608 North Oaks Drive

The motion, seconded by Councilmember Himmelblau, carried by the following vote:

- Ayes: Trevino, Mayor Pro Tem Snell, Councilmembers
Himmelblau, Hofmann, Linn
- Noes: None
- Absent: Mayor Friedman, Councilmember Lebermann

ADJOURNMENT

The Council adjourned at 4:00 p.m.

APPROVED) 
Mayor Pro Tem

ATTEST:


City Clerk